



NMCRA and IPRA:

Municipal Experience

Courts, Corrections & Justice Interim Committee

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NMML Supports Cities, Towns, and Villages in New Mexico

OUR VISION

We envision thriving New Mexico communities through effective and informed local governance and decision making

OUR MISSION

To protect and promote municipal interests with a unified voice through advocacy, education, and comprehensive risk management

- The **New Mexico Municipal League** (NMML) is a nonpartisan, nonprofit organization that represents all 106 incorporated municipalities across the state. For more than a century, NMML has worked to protect and promote local governance through legislative advocacy, training, and technical assistance. The League also supports 12 professional subsections
- Through the **New Mexico Self Insurers' Fund** (NMSIF), we provide property, liability, and workers' compensation insurance coverage for 95 municipalities and a number of other governmental entities. We also deliver a wide range of risk management services to members to reduce liability, enhance workplace safety, and ensure accountability

Professional Subsections

- Airport Managers
- Attorneys
- City Managers
- Clerks and Finance Officers
- Environmental Quality Association
- Fire Chiefs
- Government Finance Officers
- Judges
- Librarians
- Municipal Court Clerks
- Police Chiefs
- Zoning Officials



Municipalities Face CRA Exposure in Law Enforcement, Other Areas

- Municipalities are affected by CRA claims, through claims against municipal law enforcement and other municipal functions
- This presentation reflects the municipal experience only
- CRA has been in effect for five years; too soon to draw clear conclusions about long-term costs or impacts...but we can see some initial trends

NMSIF Members by Liability Coverage Type

General Liability	116
Law Enforcement Liability	61
Public Officials Liability	113

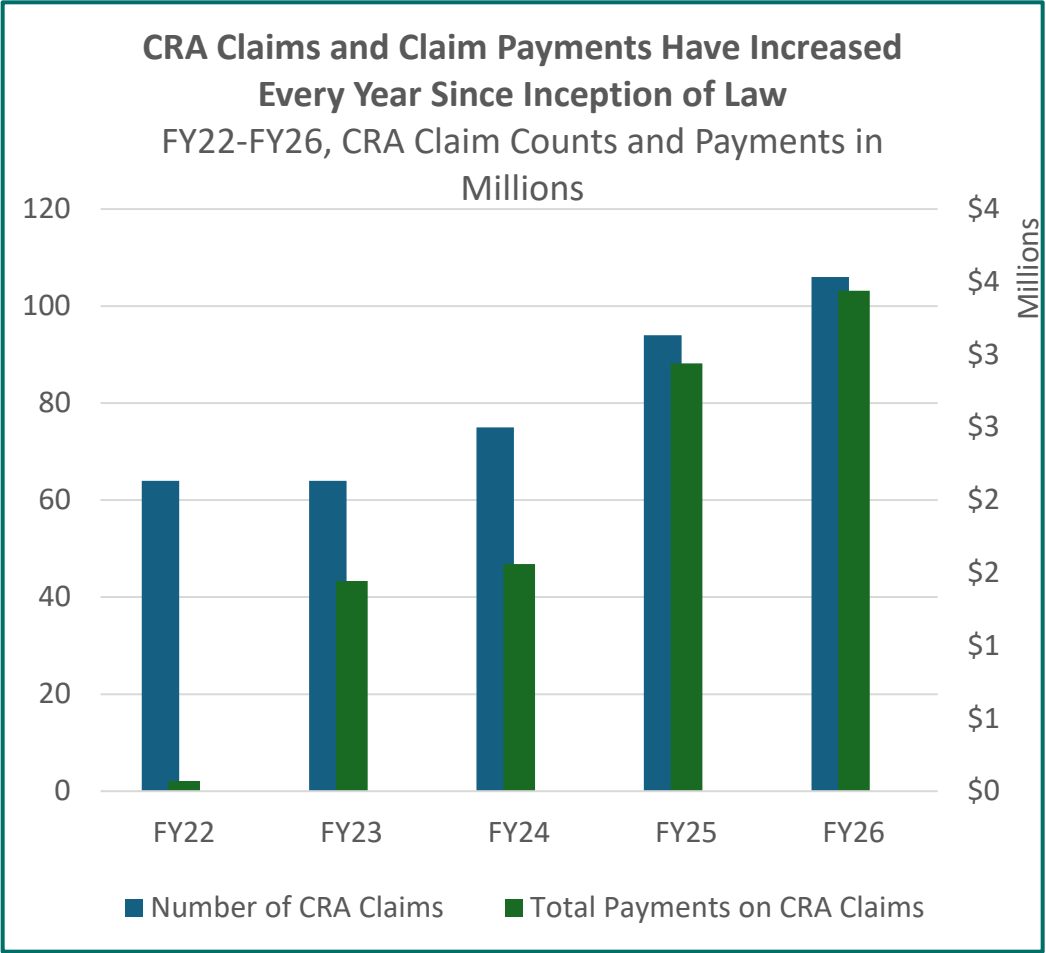


CRA Claims Against Municipalities Have Increased Steadily Since 2021

- NMSIF members have received **~420 claims with a CRA count** since FY21¹ (some claims have been noticed; difficult to predict how many turn into litigated claims)
- NMSIF has **paid ~\$10.6 million to date on CRA claims** (FY22-FY27); open claims may increase in value over time
- Majority of CRA claims are law enforcement-related; other CRA claims may fall outside of what was originally contemplated during development of the Act (*see examples below*)

Examples of Non-Law Enforcement CRA Claims Against Municipalities

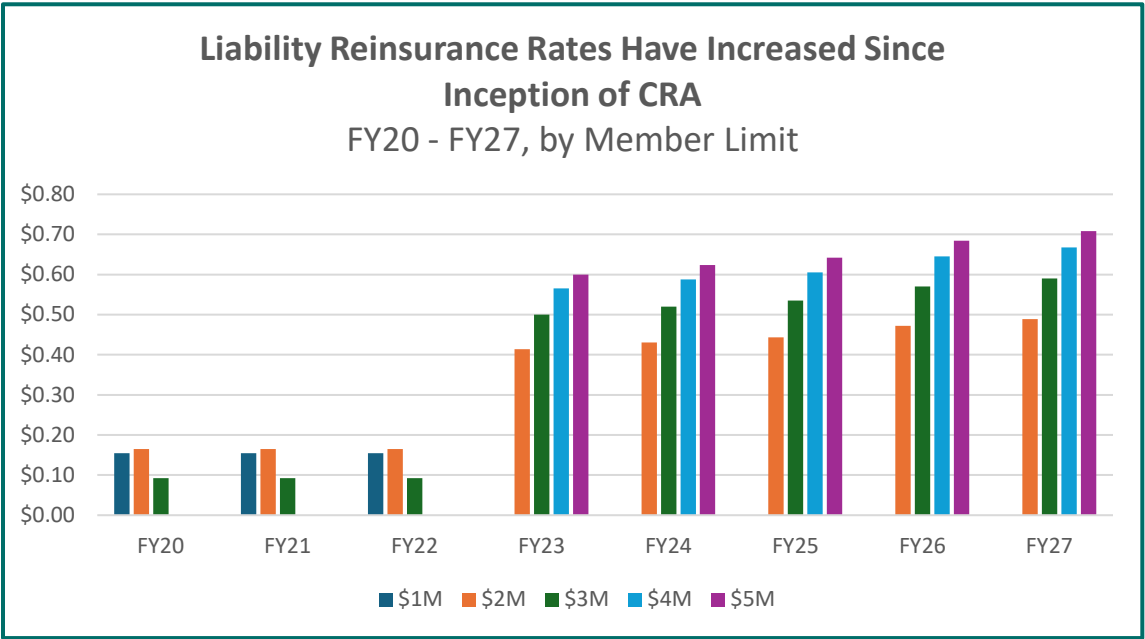
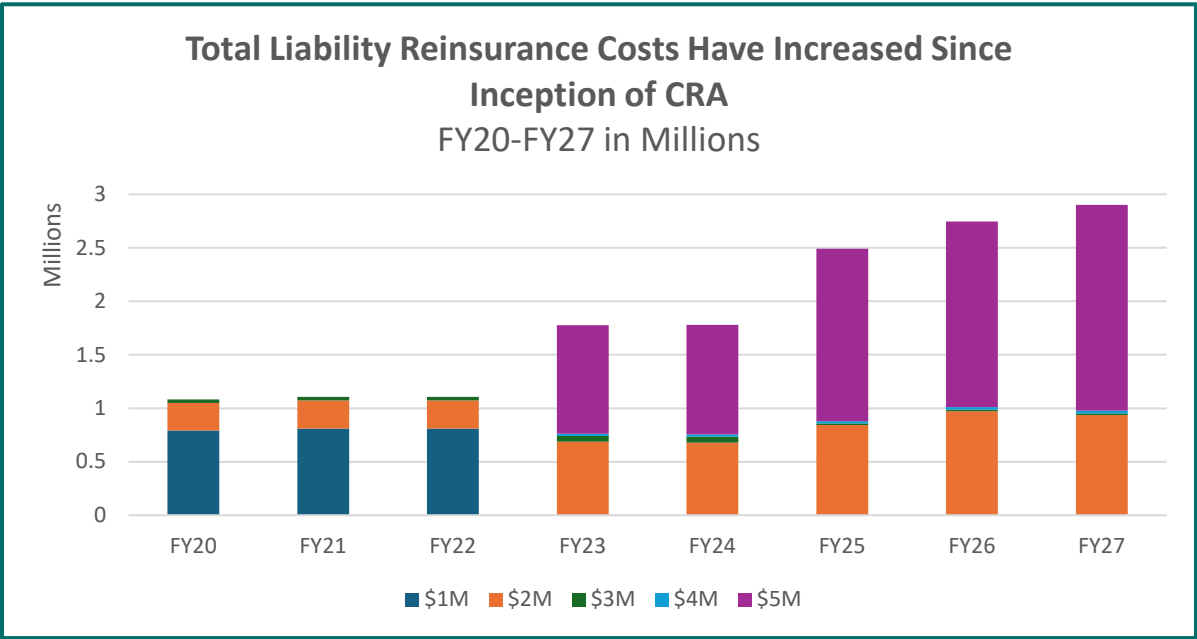
- Plaintiff (a commercial developer) alleged that a city violated their due process and equal protection rights in failing to approve certain plans for a subdivision development
- Plaintiff (owners of an apartment complex) alleged that a city violated their due process rights through proceedings to close an apartment complex due to health and safety violations
- Plaintiff (renters) alleged that a city breached a leasing agreement



¹ Claim year corresponds to date of alleged loss; figures included noticed claims

Municipalities Are Paying More to Protect Against Growing Liability Risk

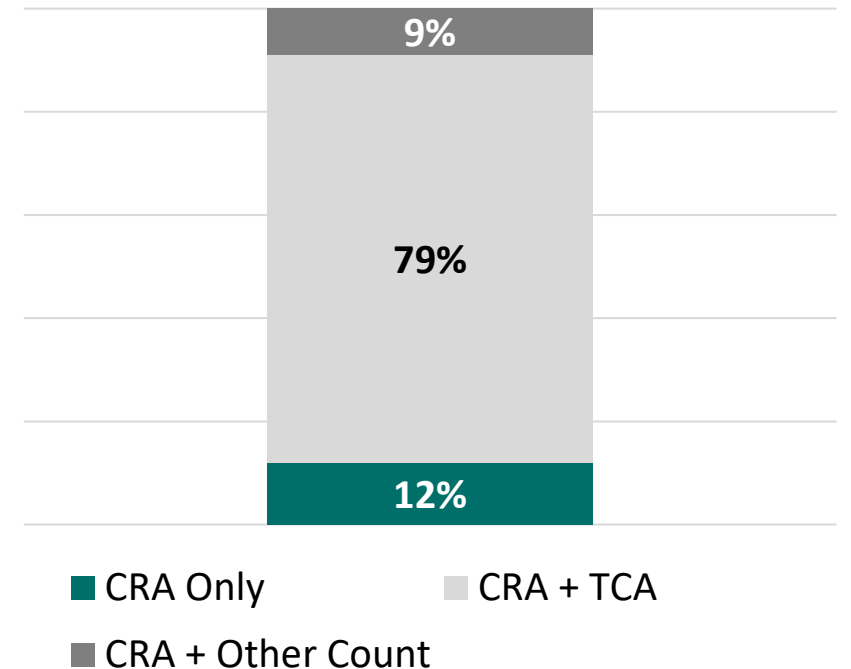
- Isolating the CRA’s effect on municipal insurance costs is difficult
- The rates NMSIF pays for liability reinsurance have increased significantly since FY22 (rates are a dollar amount per \$100 of payroll coverage)
- Total liability reinsurance costs increased by 163% between FY22 and FY27
- More members are buying higher limits in response to increased liability exposure from CRA



Municipal CRA Claims Are Frequently Combined with Tort Claims

- CRA counts are often filed alongside Tort Claims Act counts or other counts arising from the same occurrence
- 88 percent of CRA claims also include another count; primarily TCA
- Combining CRA claims with other counts suggests that **many claims could already have been adjudicated under existing statute**, such as the Tort Claims Act
- Claims may be combined in an attempt to increase claim value

Majority of CRA Claims Are Combined With Other Counts



Note: Refers to lawsuits only; not notices of potential claims



The Supreme Court Affirmed that CRA Claims Must be Filed Where They Occurred

- During the 2021 debate on HB 4, the Senate sponsor stated that suits against a city or county would be brought in the district where it is located, under the general venue statute
- Despite that intent, CRA claims against municipalities and counties across the state were filed in Santa Fe, creating opportunities for “forum shopping” or “judge shopping”
- In 2025, the New Mexico Supreme Court unanimously held that CRA claims against a municipality must be filed in its home county (*City of Roswell v. Sanchez-Gagne*)
- NMSIF appreciates the Court's clarification. **Holding public entities accountable within their communities promotes transparency and accountability.** Local government conduct should be evaluated by local jurors

“...a suit against a city or county government for example, would have to be brought [in that] judicial district where the city or county is located...that’s already the law in the general venue statute. There is no reason to begin putting venue provisions in every possible act under the statutes.”

- Sponsor comments during HB 4 debate in 2021

3	{19} Absent a specific venue provision in the NMCRA, Section 38-3-2 governs
4	venue in all civil actions brought against a municipality or board of county
5	commissioners, including actions under the NMCRA. Nothing in the NMCRA
6	suggests the Legislature intended Section 41-4A-3(B) to be a venue provision, let
7	alone a venue provision that supersedes Section 38-3-2. Accordingly, we reject the
8	Real Parties’ argument that it should be construed as such, and hold that Section 38-
9	3-2 governs venue for NMCRA actions. Applying Section 38-3-2 in this case, venue
10	is improper in Santa Fe.

Supreme Court Opinion in Roswell v. Sanchez-Gagne



NMML/NMSIF Supports Accountability, Training for Local Law Enforcement

- NMML/NMSIF has taken action to strengthen law enforcement training and accountability through:
 - Unlimited mental health support
 - Comprehensive law enforcement policy updates through Lexipol
 - Training modules through Lexipol
 - New and Future Police Chiefs' training
 - Reimbursement for body worn cameras
- NMML/NMSIF want to continue to partner with the Legislature and Executive to provide tools and resources to local law enforcement to ensure well-compensated, well-trained, accountable officers in our communities



Lexipol delivers policies that are compliant, current, and accessible—built by experts and adaptable to your agency's needs, so personnel always have the right guidance at the right time.

- Policies tailored to each state's laws and reviewed by attorneys and public safety experts.
- Updated as laws, regulations, and best practices evolve.
- Easily edited to meet your agency's unique needs.
- Available anytime on any device, with powerful search capabilities.
- Electronic policy acknowledgments that create a complete audit trail for accreditation, audits, or legal reviews.

All but three municipalities that purchase law enforcement liability coverage from NMSIF have signed on with Lexipol to update their police policies



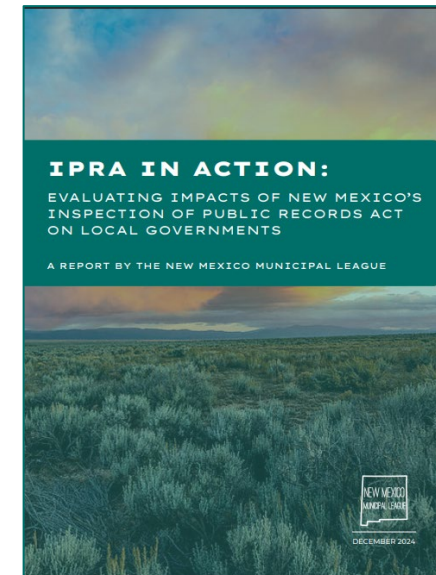
The IPRA Landscape Has Grown More Complex in a Short Period of Time

- The IPRA landscape has changed significantly in just the past two years
- AI tools now make it easy for individuals to send multiple requests to multiple public entities, all day and every day, adding to already heavy workloads
 - For example, one individual has sent 335 IPRA-related communications to a small community since January
- The New Mexico Supreme Court's 2026 APS decision has made it significantly harder for records custodians to know when attorney-client privilege applies
- As legislators now employ staff, legislative offices may face more of the same IPRA demands that public entities now manage
- NMML appreciates the legislative task force's work on potential IPRA changes and the opportunity to participate in the task force

NMSIF has issued a Request for Information on software tools to help municipalities manage and respond to IPRA requests in light of increased volume and complexity (for example, software to help with body camera video redaction)

In a 2024 evaluation, NMML proposed potential statutory changes including:

- Required notice provision before litigation is filed (similar to the Open Meetings Act)
- An administrative review process that would allow for potential resolution of disputes without costly legal action, as well as providing clear guidance to records custodians



NMML Legislative Priorities for 2026 Include Municipal Code Updates, Infrastructure Investment

- ❑ **Water and wastewater infrastructure:** An appropriation to the Water Project Fund to close the gap between vetted project applications and available funding statewide
- ❑ **Roads:** Redirecting Motor Vehicle Excise Tax revenue to road funds for statewide road infrastructure; \$168 million currently goes to the General Fund
- ❑ **Police officer workers' compensation:** Creating a presumption that certain occupational conditions suffered by police officers are work-related, as already exists for firefighters
- ❑ **Municipal Code:** Continuing to modernize the state's Municipal Code (Chapter 3) to reflect the current needs and challenges of municipalities
- ❑ **Fireworks:** Giving municipalities more flexibility to limit or restrict the sale and use of certain fireworks, in response to wildfire risk and other dangerous conditions





THANK YOU

Questions?

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